

CALIFORNIA ENERGY COMMISSION1516 NINTH STREET
SACRAMENTO, CA 95814-5512

**NOTICE OF INSIGNIFICANT PROJECT CHANGE
TO ALLOW THE REPLACEMENT OF THE DRY LOW NO_x COMBUSTORS IN UNITS 2
AND 4 WITH ENHANCED DRY LOW NO_x COMBUSTORS (DLN1+)
for the
KERN RIVER COGENERATION PROJECT
(82-AFC-2C)**

On June 26, 2006, the California Energy Commission received a petition from the Kern River Cogeneration Company (KRCC) to modify the Kern River Cogeneration Project. The 300 megawatt cogeneration project was certified in 1983, and began commercial operation in 1985. The power plant consists of four 75-megawatt natural gas-fired combustion turbines equipped with dry low NO_x combustors and four heat recovery steam generators capable of providing steam to the adjacent oil field for use in enhanced oil recovery. The power plant is located in the Kern River Oil Field, approximately five miles north of the City of Bakersfield, and five miles east of State Route 99 in Kern County, California

DESCRIPTION OF PROPOSED MODIFICATIONS

The Kern River Cogeneration Company is seeking approval to replace the dry low NO_x combustors in Units 2 and 4 with General Electric (GE) enhanced dry low NO_x combustors (DLN1+). KRCC received an experimental research exemption from the San Joaquin Valley Air Pollution Control District (SJVAPCD) to test the performance of the DLN1+ combustors in August of 2005 and in February of 2006. The SJVAPCD subsequently issued an Authority to Construct to KRCC to make the DLN1+ combustors a permanent installation at the facility. KRCC believes that the DLN1+ combustors will allow the facility to achieve compliance with the SJVAPCD Rule 4703 future retrofit requirement of 3 ppm NO_x at 15% O₂.

ENERGY COMMISSION STAFF REVIEW AND DETERMINATION

Pursuant to section 1769(a)(2), Title 20, California Code of Regulations, Energy Commission approval of the project modification is not required if Energy Commission staff determines that:

- There is no possibility that the modification may have a significant effect on the environment, and
- The modification will not result in a change to or deletion of a condition of certification, or make changes that would cause the project not to comply with applicable laws, ordinances, regulations, or standards (LORS).

Energy Commission staff has determined that the proposed modification meets this criteria because:

- The modification will not have any significant effect on the environment as it has the potential to result in voluntary emission reductions,
- Existing conditions of certification are sufficient to cover the proposed modification without changes to, or deletions of, any conditions of certification; and

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- The project as modified will maintain full compliance with applicable LORS.

Any person may file a written objection to staff's determination within 14 days of service of this notice on the grounds that the project modification does not meet the criteria set forth in Section 1769(a)(2). All objections must be in writing and must be sent either by U.S. mail, e-mail, or other document delivery service to Christopher Meyer, Compliance Project Manager, at the address shown below:

California Energy Commission
1516 9th Street, MS 2000
Sacramento, CA 95814

Comments may be submitted by fax to (916) 654-3882, or by e-mail at cmeyer@energy.state.ca.us. If no substantive objection is received in writing by 5:00 p.m. on July 24, 2006, the requested project modifications will be deemed approved, and a description of the change will be placed in the project file.

If you have questions about this notice, please contact Christopher Meyer at (916) 653-1639, or by fax or e-mail using the above information.

Date: _____

7/6/06



ROGER E. JOHNSON, Manager
Siting and Compliance Office
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